

# Interim Report Q2

## Second quarter, April-June 2022

- The Company initiated a collaboration with the University of Massachusetts
- The Company continued development of DNGs and expansion of SpheriCal®
- Implementation of a quality management system (QMS) has started, and first phases of implementation have been completed

## Year to date, January-June 2022

- The Company received a strategically important order in January 2022 from a global life science company
- A new Product Manager joined Polymer Factory on February 1, 2022
- An incentive program for key personnel was implemented and announced

## Key Figures

(KSEK)	Second quarter		Six months	
	Apr-Jun 2022	Apr-Jun 2021	Jan-Jun 2022	Jan-Jun 2021
Net sales	217	643	668	1,427
Profit (loss) for the period	-1,499	-922	-2,551	-1,599
Total assets	8,897	12,889	8,897	12,889
Equity / assets ratio (%)	90	96	90	96
Cash flow for the period	-1,244	9,063	-2,659	9,725
Basic earnings per share (SEK)	-0.22	-0.13	-0.37	-0.23

## COMMENTS FROM CEO ELIN MIGNÉRUS

Q2 2022 has been about deepening the relationship to our customers while continuing to engage new leads; as the opportunity for travelling and meeting in person has opened up, we have seen new interest in our products as a result from this. As always, our focus is to deliver best in class products to our customers and partners, and we continue to not only work with the existing product platform, but also driving the development together with our customers.

**“We are happy to see several returning customers who continue to take interest in our portfolio”**

Q2 2022 has been an uncommon time where there is no doubt that we have continued to see global events affecting people and business all around the world. Challenges we have experienced due to the ongoing situation are partly related to increasing costs, but even more related to delays and uncertainties in deliveries of goods. However, due to control over our processes and good planning, we have managed to run activities as planned while continuously, and with great carefulness, evaluating future need of goods to run our activities smoothly.

After years of Covid-19 pandemic and travel restrictions, the second quarter of 2022 has finally allowed us to again visit conferences and fairs. Meeting people in real life has always been of importance to the company, as it opens for new quality connections in a unique way. During the spring, representatives from Polymer Factory has visited American Society for Mass Spectrometry (ASMS) and Bruker's European Pharma Days conferences among others, which has led to interesting leads and good visibility and marketing for the company. Getting a spread and recognition of our products in the industry is an important step in the wider distribution of Polymer Factory's products among key players.

We have continued our work with implementation of a quality management system (QMS) according to ISO 13485, which is in line with the plans for 2022, and during Q2 we have completed the first phases of implementation. Getting a certified QMS in place is one step in maturing the company and will enable us to ensure documented quality procedures in a new manner, which gives the company a stronger position towards the customers. Acting in a highly regulated and quality-oriented industry, we are always striving to deliver top quality products and services, and this is yet a way for us to prove this to our customers.

During this quarter, we have had many positive interactions with new and returning customers, one of which led to a follow-up order by a returning customer who is of strategic importance



Elin Mignérus, CEO of Polymer Factory

for Polymer Factory. We are very excited to collaborate with this global life science company on the project, which is in an evaluation phase of the product development. Considering the products we provide, we know that inflow of projects and orders can vary in timing over the year, but we are happy to see several returning customers who continue to take interest in our portfolio, potentially building more and more opportunities for us to deliver on.

On the product development side, we have made good progress in the development of our Dendritic Nanogel (DNG) technology, since welcoming our new Product Manager in February. Furthermore, we have also began the work to expand our SpheriCal® technology to cover additional analysis techniques, with paying customers testing the technology for size-exclusion chromatography (SEC) and electrospray ionization mass spectrometry (ESI-MS). This is a step towards reaching our goal of commercially offering SpheriCal® products for several MS techniques.

With an intense summer reaching its end, we look forward to a fall full of exciting activities at Polymer Factory – a journey that we welcome our shareholders to continue to share with us.

**ELIN MIGNÉRUS**  
CEO

# ABOUT POLYMER FACTORY

**Polymer Factory is a leading developer and provider of dendritic nanomaterials, to be applied over a range of sectors globally.**

Polymer Factory is in many ways an accelerator firm for dendritic nanotechnology – generating cutting-edge products desired by customers across different high-demand sectors. From our roots in dendritic materials, we have developed SpheriCal®, a pioneering calibration technology for mass spectrometry (MS), and more recently, our latest addition, DNGs. Our broad portfolio, comprising more than 300 products, has attracted customers from BigPharma, MedTech, BioTech, as well as the chemical and other industries.

Stemming from many years of cutting-edge research, Polymer Factory was founded by a team of well-renowned scientists. This research has evolved into a business that provides products to billion dollar industries.

## MISSION

Transform dendritic nanomaterials to mature innovations that fulfill technologically demanding sectors.

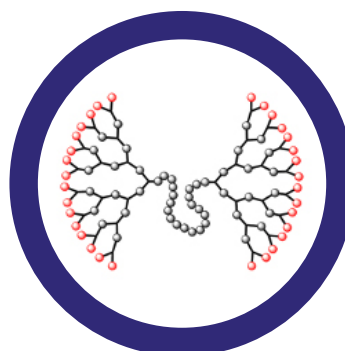
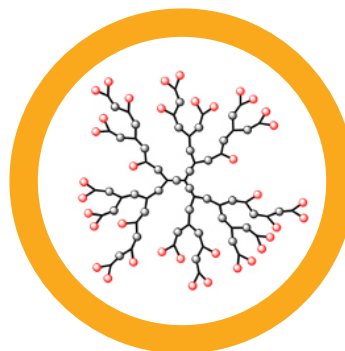
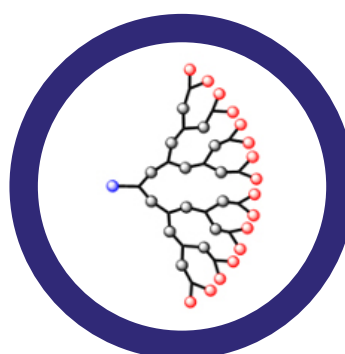
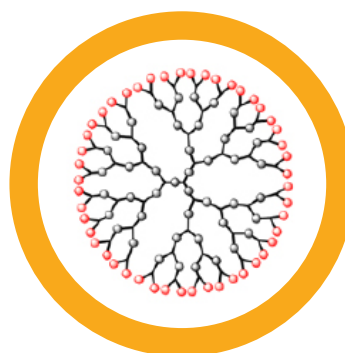
## VISION

Global generator of groundbreaking dendritic technologies that accelerate innovations in high performance material and life science sectors.

What makes dendritic materials so special, and in many ways superior, is their flawlessness, multifunctionality and dynamic structure. This makes them ideal for a vast number of applications in an array of industrial uses, from applications within pharmaceuticals and diagnostics as well as the chemistry and material industries. Polymer Factory's dendritic materials have a number of competitive advantages:

- Structural perfection (i.e. they are monodisperse and structurally flawless).
- High scalability and batch-to-batch consistency – an important feature across several high-end sectors e.g. therapeutic and diagnostic applications.
- High loading capacity, enabling the attachment of an exact and large number of drugs while decreasing the drug's toxicity when merged with the dendritic material.
- High level of optimization and flexibility, allowing users to achieve desired targeted complexation and product formulation.
- Biocompatibility and biodegradability; the dendritic carriers degrade under physiological conditions.

For more information about Polymer Factory Sweden AB and our products, visit <http://www.polymerfactory.com>



## EVENTS DURING Q2 2021

### KEY EVENTS DURING THE PERIOD

On April 19, the Company announced a collaboration and material transfer agreement with the University of Massachusetts Amherst (UMass) for transfer of materials from its BowtieD® platform.

During the period, the Company has completed the first two phases of implementation of its eQMS system.

On April 14, the Company announced the outcome of the warrants program for key personnel (see incentive program). The aim of the incentive program was to engage the employees to be even more involved in the company's journey, and to also share the success they are working hard to achieve.

On June 8, the Company held its annual meeting. A summary of resolutions can be found on the Company's website.

On June 15, CEO Elin Mignérus held a presentation at Aktiespararna's Småbolagsdagarna. The presentation can be found on the Company's website.

In June, a company representative participated in ASMS Conference in Minneapolis, USA.

### KEY EVENTS AFTER THE END OF THE PERIOD

On July 6, the Company received order of approx. KSEK 540 from a global life science company. The order was placed as a next phase of evaluations, following an order that was announced in January 2022.

### RELATED PARTY TRANSACTIONS

There is a consultancy agreement between the Company and SCEM Consulting AB, which is partly owned by Michael Malkoch, regarding services related to his role as CTO for the Company.

During Q2, a total of KSEK 96 has been invoiced under the agreement. During 2022, a total of KSEK 192 has been invoiced under the agreement.

### RISKS AND UNCERTAINTY FACTORS

Polymer Factory is exposed to various types of risks, which can be categorized as related to business and operations, industry and market, intellectual property, and financial risks. During the second quarter, it is assessed that no significant changes has occurred in respect of risks and uncertainties.

More details on the Company's risks and uncertainties are described in the Annual Report that was published on April 6, 2022, which can be found on the company's website.

### ORGANIZATION

As per June 30, 2022, the number of employees in the company was 4, in addition to above mentioned consultancy agreement.

### SHARE

Polymer Factory Sweden AB (publ) is listed on Spotlight Stock Market since April 7, 2021 under ticker POLYMER.

Total number of shares amounts to 6,860,398.

Spotlight Stock Market is a secondary name of ATS Finans AB, a securities company under the supervision of the Swedish Financial Supervisory Authority. ATS Finans AB is a subsidiary of Spotlight Group AB, a company listed on Spotlight Stock Market. Spotlight Stock Market operates a so-called MTF platform.

### ACCOUNTING PRINCIPLES

The interim report is prepared in accordance with the Swedish Annual Accounts Act and the standards of the Swedish Accounting Standards Board (BFNAR 2012:1) (K3). Accounting principles are unchanged compared with 2021.

This report has not been reviewed by the company's auditor.

### INCENTIVE PROGRAM

A warrant program for the CEO and other employees was established on the extra general meeting on 20 December 2021.

Under the program, a total of 65,000 warrants were subscribed for, each of which gives the right to subscribe for one share. The option right may be exercised during the period 15 January 2026 to 31 January 2026. The subscription price amounts to SEK 20.94. The full terms of the warrants can be found on the Company's website.

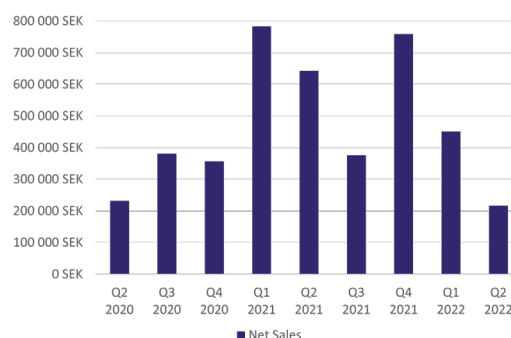
# FINANCIAL OVERVIEW

## REVENUE

Net sales for the period amounted to KSEK 217 (643), a decrease with 66% compared to Q2 2021. Net sales for year to date amounted to KSEK 668 (1,427), a decrease with 53% compared to the same period 2021.

The decrease in net sales for both the period and year to date is judged to be relating to lead times for evaluation for customer projects started in Q4 2021 and Q1 2022, as well as a reflection on unstable market circumstances.

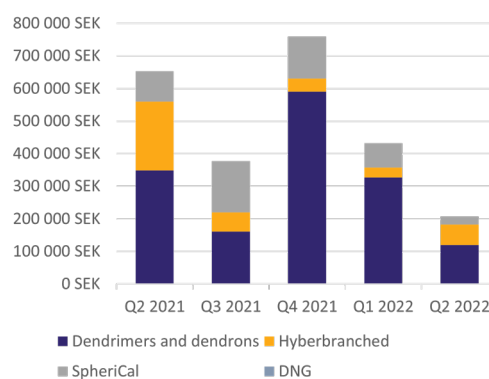
Out of the four segments (Dendrimers and dendrons, Hyperbranched materials, SpheriCal® and DNG), Dendrimers and Dendrons was predominant in Q2. Revenues are split almost equally between North America and Europe during the period.



## OPERATING EXPENSES

Total operating expenses amounted to KSEK 1,665 (1,345) for Q2 and 3,587 (2,610) for year to date respectively.

Operating expenses for the second quarter 2022 as well as year to date has primarily increased because of the employment of new personnel - 4 employees during Q1-Q2 2022 compared to 1-2 employees during Q1-Q2 2021. Staff costs have increased with KSEK 446 for Q2 and KSEK 979 for year to date. Other external costs have decreased with KSEK 160 and KSEK 200 for Q2 and year to date respectively.



Depreciation of assets has increased with KSEK 63 and KSEK 125 for Q2 and year to date respectively, due to the purchase of the MALDI-TOF instrument.

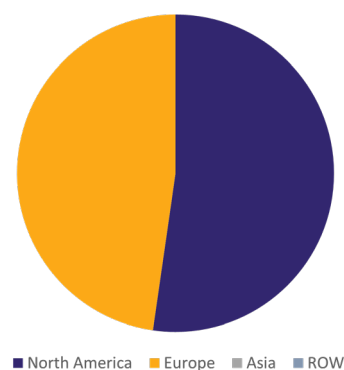
## RESULT

Loss amounted to KSEK -1,499 (-922) for the second quarter, and KSEK -2,551 (-1,599) for year to date. Earnings per share amounted to SEK -0.22 (-0.13) for the second quarter and SEK -0.37 (-0.23) for year to date.

## CASH FLOW AND FINANCIAL POSITION

Cash flow from operating activities for the period was KSEK -1,244 (10,491) and KSEK -2,694 (-1,541) for year to date.

Cash flow for the period was KSEK -1,244 (9,063) and for year to date KSEK -2,659 (9,725). As per June 30, 2022 Cash and bank amounted to KSEK 3,966 and equity amounted to 8,015.



## INCOME STATEMENT IN SUMMARY

(KSEK)	Second quarter		Six months		Full year
	APR-JUN 2022	APR-JUN 2021	JAN-JUN 2022	JAN-JUN 2021	2021
<b>Revenue</b>					
Net sales	217	643	668	1,427	2,561
Change in inventories of products in progress, finished goods and work in progress	-53	-221	363	-235	-445
Other revenue	2	1	5	4	13
<b>Total revenue, inventory changes, etc.</b>	<b>166</b>	<b>423</b>	<b>1,036</b>	<b>1,196</b>	<b>2,129</b>
<b>Operating expenses</b>					
Goods for resale	-65	-94	-141	-94	-216
Other external expenses	-626	-786	-1,625	-1,825	-2,905
Staff costs	-878	-432	-1,629	-624	-1,980
Depreciation of intangible fixed assets	-92	-29	-183	-58	-204
Other operating expenses	-4	-4	-9	-9	-17
<b>Total operating expenses</b>	<b>-1,665</b>	<b>-1,345</b>	<b>-3,587</b>	<b>-2,610</b>	<b>-5,323</b>
<b>Operating profit/loss</b>	<b>-1,499</b>	<b>-922</b>	<b>-2,551</b>	<b>-1,414</b>	<b>-3,193</b>
<b>Financial items</b>					
Interest expenses and similar items	-	-	-	-185	-185
<b>Total financial items</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-185</b>	<b>-185</b>
<b>Total after financial items</b>	<b>-1,499</b>	<b>-922</b>	<b>-2,551</b>	<b>-1,599</b>	<b>-3,378</b>
<b>Profit/loss before taxes</b>	<b>-1,499</b>	<b>-922</b>	<b>-2,551</b>	<b>-1,599</b>	<b>-3,378</b>
<b>Taxes</b>					
Tax on profit/loss for the period	-	-	-	-	-
<b>Profit/loss for the period</b>	<b>-1,499</b>	<b>-922</b>	<b>-2,551</b>	<b>-1,599</b>	<b>-3,378</b>

# BALANCE SHEET

(KSEK)	30 JUNE 2022	30 JUNE 2021	31 DECEMBER 2021
<b>ASSETS</b>			
<b>Fixed assets</b>			
Intangible fixed assets	875	992	933
Tangible fixed assets	2,287	-	2,412
<b>Total fixed assets</b>	<b>3,162</b>	<b>992</b>	<b>3,345</b>
<b>Current assets</b>			
Inventory	1,389	1,235	1,026
Current receivables	380	421	415
Cash and bank	3,966	10,241	6,625
<b>Total current assets</b>	<b>5,735</b>	<b>11,897</b>	<b>8,066</b>
<b>TOTAL ASSETS</b>	<b>8,897</b>	<b>12,889</b>	<b>11,411</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity	10,566	13,908	13,908
Result of the period	-2,551	-1,599	-3,378
<b>Total equity</b>	<b>8,015</b>	<b>12,309</b>	<b>10,530</b>
<b>Liabilities</b>			
Current liabilities	882	580	881
<b>Total liabilities</b>	<b>8,897</b>	<b>12,889</b>	<b>8,066</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>8,897</b>	<b>12,889</b>	<b>11,411</b>

## CASH FLOW STATEMENT

(KSEK)	Second quarter		Six months		Full year
	APR-JUN 2022	APR-JUN 2021	JAN-JUN 2022	JAN-JUN 2021	2021
<b>Operating activities</b>					
Cash flow from operating activities	-1,244	10,491	-2,694	-1,541	-2,656
<b>Cash flow from operating activities</b>	<b>-1,244</b>	<b>10,491</b>	<b>-2,694</b>	<b>-1,541</b>	<b>-2,656</b>
<b>Financing activities</b>					
Cash flow from financing activities	-	-1,428	35	11,266	11,266
<b>Cash flow from financing activities</b>	<b>-</b>	<b>-1,428</b>	<b>35</b>	<b>11,266</b>	<b>11,266</b>
<b>Investing activities</b>					
Cash flow from investing activities	-	-	-	-	-2,500
<b>Cash flow from investing activities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-2,500</b>
<b>Cash flow for the period</b>	<b>-1,244</b>	<b>9,063</b>	<b>-2,659</b>	<b>9,725</b>	<b>6,110</b>
<b>Bank</b>					
Bank opening	5,210	1,177	6,625	515	515
Bank closing	3,966	10,240	3,966	10,240	6,625

## CHANGES IN EQUITY

	SHARE CAPITAL	NON- REGISTERED SHARE CAPITAL	SHARE PREMIUM RESERVE	PROFIT BROUGHT FORWARD	PROFIT FOR THE PERIOD	TOTAL
<b>2020-12-31</b>	<b>100</b>	<b>1,137</b>	<b>-</b>	<b>1,695</b>	<b>-290</b>	<b>2,642</b>
Reg new share issue	3	-1,137	1,134			0
Bonus issue	413			-413		0
New share issue	170		12,782			12,952
New share issue expenses			-1,686			-1,686
Disposition according to AGM				-290	290	0
<b>2021-06-30</b>	<b>686</b>	<b>-</b>	<b>12,230</b>	<b>992</b>	<b>-1,599</b>	<b>12,309</b>
Loss for the period					-1,779	-1,779
<b>2021-12-31</b>	<b>686</b>	<b>-</b>	<b>12,230</b>	<b>992</b>	<b>-3,378</b>	<b>10,530</b>
New share issue	0		11			11
New warrant program			24			24
Disposition according to AGM				-3,378	3,378	0
Loss for the period					-2,551	-2,551
<b>2022-06-30</b>	<b>686</b>	<b>-</b>	<b>12,265</b>	<b>-2,386</b>	<b>-2,551</b>	<b>8,014</b>

The Board of Directors and the CEO assure that this interim report gives a true and fair view of the company's operations, position and results and describes significant risks and uncertainties that the company is facing.

This report has not been reviewed by the company's auditor.

This disclosure contains information that Polymer Factory is obliged to make public pursuant to the EU Market Abuse Regulation (EU nr 596/2014). The information was submitted for publication, through the agency of the contact person, on 10 August 2022.

**Stockholm 2022-08-10**  
**CEO, Elin Mignérus**

## COMPANY INFORMATION

### Company name

Polymer Factory Sweden AB (PUBL)

### Organizational number

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### Phone

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### Website

[www.polymerfactory.com](http://www.polymerfactory.com)

## CALENDAR

**Current financial year:** 2022-01-01 – 2022-12-31

**Quarterly Report (Q3):** 2022-11-10

**Quarterly Report (Q4):** 2023-02-10

## CONTACT

### CEO

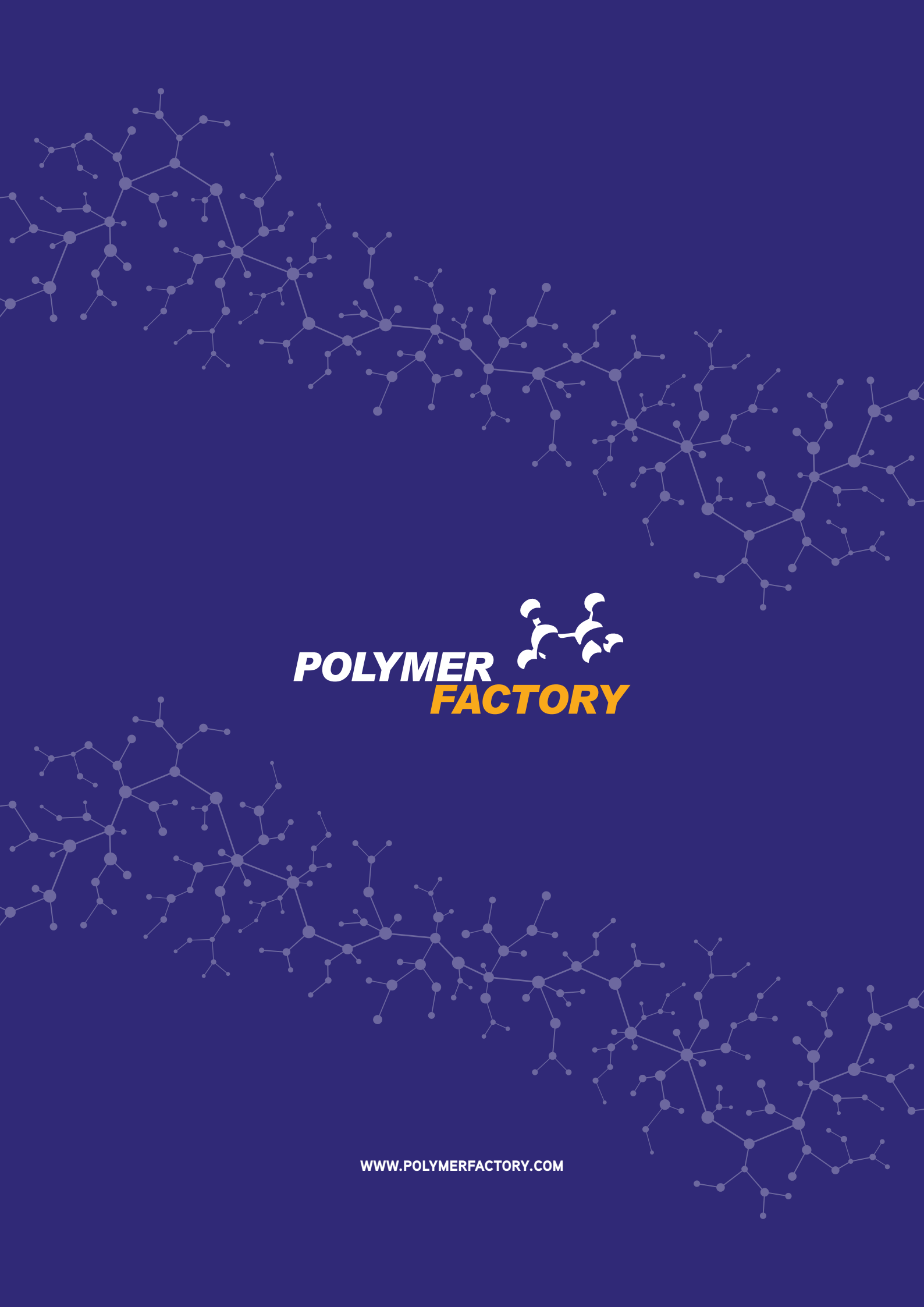
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